Farm Sustainability
REWARDS PROJECT

Final Report

Farm Sustainability Rewards Project

August 2025

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Cover photo: Irrigated corn field in Adams County, 2024
Photo below: Potato field from a Waushara County farm with experimental conservation practices, 2024
Photos by C. Pralle.

I. Summary

Between fall 2023 and spring 2025, Wisconsin's Green Fire and Clean Wisconsin led a project funded through a cooperative agreement with the United States Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS). The "Farm Sustainability Rewards (FSR) Project" aimed to design and assess the feasibility of a new voluntary model for farm conservation that would adequately reward farmers who meet increasingly robust tiers of environmental performance while improving their whole-farm and farm product sustainability.

The FSR Project recognizes that runoff of fertilizers and manure on agricultural fields has been and continues to be the largest source of pollution to our lakes, streams, and groundwater, as well as a significant and growing source of greenhouse gas emissions. Most agricultural conservation cost-sharing programs provide short term incentives to adopt practices that are believed to create environmental benefits. However, most programs lack specific environmental goals. As a result, we simply do not know the extent to which such programs have achieved sustained water or air quality improvement at significant scale.

To address this gap, the FSR Project studied the feasibility of a voluntary program designed to annually reward agricultural producers who employ and maintain proven conservation practices to meet water quality targets established for local watersheds, as well as practices that reduce greenhouse gas emissions and increase soil carbon.

The FSR Project was intended to complete its work by April 2026. However, in February 2025, the NRCS notified Wisconsin's Green Fire that NRCS could no longer guarantee reimbursement for remaining funds allocated for the project as a result of changing priorities for the USDA. Accordingly, Wisconsin's Green Fire and Clean Wisconsin regretfully concluded work on the project in April 2025. Project work was approximately 60% completed.

While we remain committed to advancing the FSR concept, this report captures the results, findings, and some lessons learned from our efforts. Additional information is available in our FSR Project Prospectus. Thus, should resources become available, we can re-engage with this important project in the future.

II. Key Findings

1. The FSR concept can be easily explained and is easily understood by most people. It was well received by farm conservation professionals and members of the public with whom we shared the FSR concept.

2. We received useful, ongoing guidance from our advisory group and from selected agency and academic experts. While we included three farm producers on our advisory team, we would need to do more to understand how the FSR concept would be received by other farm stakeholder groups that have been reluctant to participate in government-run farm programs. An important next step is to socialize the FSR Project with farm sector and agri-business representatives in the early stages of any renewed effort to continue this work.

3. Additional research, modeling, assessment, testing and outreach will be needed to support development of a robust, credible, and effective FSR program that can operate at scale and generate real conservation benefits.

4. The current science informing the nitrogen and GHG assessment tools were not sufficient to build performance benchmarks for farm carbon at this time, however tools to evaluate soil loss and phosphorus losses are more than sufficient to support a future FSR program.

5. The results of our modeled scenarios indicated that conservation best management practices on agricultural fields, particularly no-till and cover crops, if widely adopted could meet environmental goals on most farms. Positive impacts were most notable when adopted early and with a targeted approach.

6. Further development of the FSR program as currently envisioned will depend on more applied research to address the shortcomings of the GHG and nitrate leaching tools.

7. In order for an FSR-type program to be successful, conservation professionals and farm leaders will need to be directly involved in further development and launching of FSR concepts.

8. Launching an FSR Pilot Program, even in a relatively small watershed for a period of 5 years would require about $5-10 million in new funding.

9. The lack of available federal funding under the Trump administration and changing USDA program priorities indicates that other non-federal funding sources would be needed to advance FSR concepts.

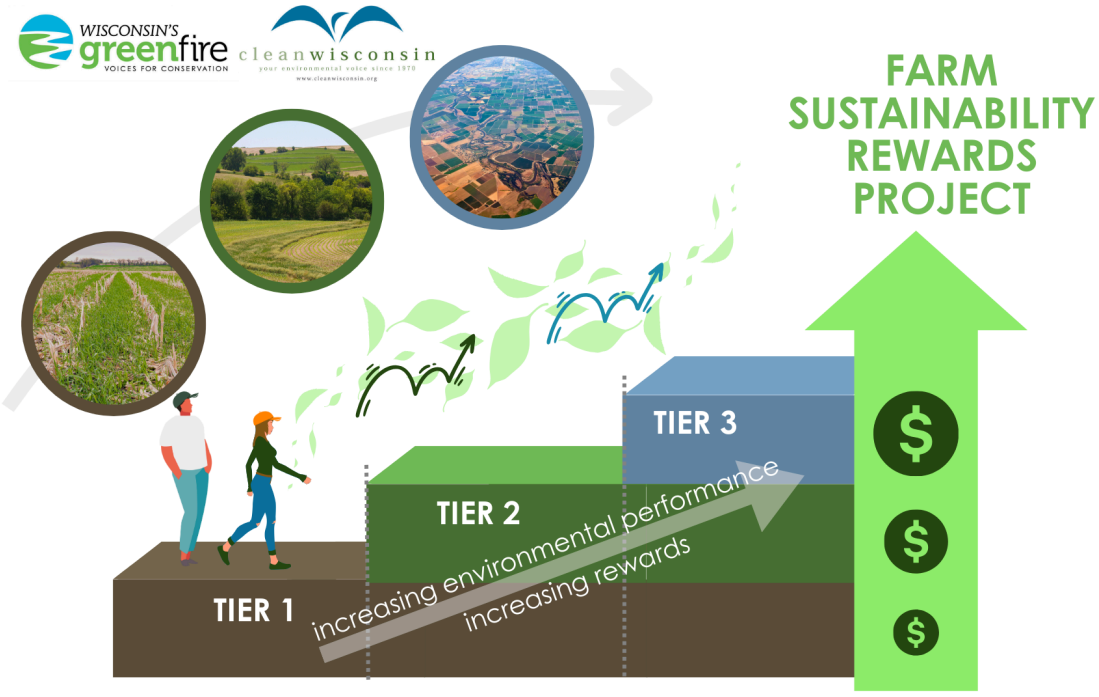
10. Given the challenges in funding and limitations of current tools, it would be worth further investigating other methods for achieving superior performance in farm conservation, such as nitrogen rate reductions in lieu of nitrate loss modeling.

III. Project Overview

The Farm Sustainability Rewards (FSR) Project was a feasibility study led by Wisconsin's Green Fire (WGF) and Clean Wisconsin (CW), supported by funding from a cooperative agreement with the USDA Natural Resources Conservation Service. We began the project in October 2023 and concluded work, with the project about 60% complete, in April 2025.

The FSR concept involved designing and testing a performance-based farm conservation program that would provide annual financial incentives to agricultural producers who could demonstrate superior environmental performance from their farm operations. The FSR concept involved a tiered approach to performance, recognizing current successes in conserving water quality and soil health and providing increased financial incentives for a commitment to greater performance.

The FSR concept is a voluntary, whole-farm approach to agricultural conservation. Unlike one-time cost-share programs that focus on isolated practices, the FSR Project would offer annual per-acre rewards for continuing, farm-wide environmental performance.



Graphic illustration of the performance-based Farm Sustainability Rewards concept with increasing financial rewards for increasing environmental performance categorized in three tiers.

Our study assessed environmental performance using four measures:

- Conserving soil and avoiding soil loss.
- Minimizing phosphorus runoff into surface waters.
- Minimizing nitrate leaching into groundwater.
- Improving farm carbon retention and reducing greenhouse gas emissions.

The project would use field-tested models to estimate a farm's average "footprint per acre," based on relevant farm characteristics and practices. Farms that perform better on measurable performance for our selected measures earn higher rewards.

Our project work focused on testing the feasibility of tools for measuring environmental performance and the testing and gathering input on methods for structuring economic incentives, as well as various aspects of program design.

Following the feasibility study, FSR pilot projects would test program design at the watershed level to roll out small-scale programs based with participating producers, focusing on practices that best fit their needs and landscape.

Photo: Agricultural landscapes in the Midwest from 30,000 feet. Photo by C. Pralle, 2024.

IV. Why Farm Sustainability Rewards

Most USDA-NRCS and state-funded agricultural conservation programs provide cost-share funding for implementing individual conservation practices tied to specific agricultural systems. However, those programs are not set up to assess ongoing continuation or maintenance of those practices. Also, they do not measure the soil, water, and other conservation benefits those practices are intended to generate. As a result, the public does not have a good way to understand the effectiveness or efficiency of our cost-sharing programs (and our public dollars that fund them) in providing conservation benefits.

One of the precepts of the FSR concept is that farmers alone should not have to internalize the costs of environmental protection. There are multiple societal benefits to conservation. Methods for sharing these costs can be a joint responsibility of government, consumers, and the agricultural supply chain.

The FSR concept assures that the environmental benefits of farm conservation incentives (rewards) are achieved by determining the environmental performance of documented on-farm conservation practices. Environmental targets are established and measured primarily through the use of existing farm models (e.g., the phosphorus runoff estimates obtained through the SnapPlus program).

FSR is intended to complement environmental targets at the watershed level. For example, the Wisconsin Department of Natural Resources (WDNR) has set phosphorus (P) runoff goals (known as Total Maximum Daily Loads or TMDLs) for many watersheds impaired by phosphorus runoff. An FSR project in watersheds with existing TMDLs might assign a monetary value (e.g., $50 per acre for up to 5 years) to reward farmers who modeled and verified whole-farm performance that meets the TMDL target for P runoff, measured across all farm fields.

Our intention was to establish similar goals and payment amounts for soil loss limits, nitrogen leaching to groundwater, and greenhouse gases (GHG). By providing annual payments to farmers who meet specific environmental goals across their farm, rather than one-time cost-share payments for individual practices, FSR creates a durable incentive for effective and sustainable environmental improvement.

FSR assumes that implementing conservation comprehensively across individual farms and across farms within a watershed has a much greater chance to improve water and air quality than scattered implementation of isolated practices.

V. Project Organization

Wisconsin's Green Fire (WGF) was the lead organization guiding the project in partnership with Clean Wisconsin (CW).

The FSR Project Team included:

- Project Leader: **Fred Clark**, WGF
- Project Coordinator: **Ben Becker**, WGF
- Project Co-executive: **Jim VandenBrook**, WGF
- Project Co-executive: **Sara Walling**, Clean Wisconsin
- Project Agronomist: **Caroline D'Huyvetter**, WGF
- Project Communications: **Carolyn Pralle**, WGF
- Project Development: **Erica LeMoine**, WGF

The FSR Advisory Team included:

- **Meleesa Johnson,** Executive Director, WGF
- **Paul LaLiberte**, WGF
- **John Exo**, UW-Extension (retired)
- **Paul Dietmann**, Compeer Financial
- **John Rosenow**, Rosenholm Farms
- **Melissa Schlupp**, Sauk County Land Resources & Environment Department
- **Paul Daigle**, Conservation Consultant
- **Valerie Dantoin**, Full Circle Farm
- **Richard Cates**, Cates Family Farm

Photo: *FSR Project staff, left to right: Fred Clark, Ben Becker, Sara Walling, Jim VandenBrook, Carolyn Pralle*

VI. FSR Sustainability Indicators

The FSR Project set out to evaluate and test the feasibility of using four measures of environmental performance tied to farm conservation: 1) phosphorus loss reduction, 2) soil loss, 3) nitrate leaching reduction, and 4) greenhouse gases.

VI.1 Phosphorus loss reduction

Phosphorus runoff from agriculture production is a major contributor to non-point source pollution of our state's watershed. As a result, nutrient management—especially the reduction of phosphorus loss—is necessary for preserving safe and healthy waters within our state. Participation in the FSR Project would require producers to meet and exceed the regulatory standards for phosphorus loss in their operations. In order to achieve the highest possible rewards, producers must meet high standards for reducing their phosphorus runoff.

Total Maximum Daily Load (TMDL) thresholds for the local watershed can serve as a guide for establishing phosphorus management targets. In areas where TMDL thresholds are not available, mid-level targets and high-level targets could start at a phosphorus index of two and one, respectively. Entry-level performance would require meeting the standards in Wisconsin's Administrative Code Chapter NR151 as a minimum. Assessment of phosphorus loss performance and pathways to improvement can utilize the producer's nutrient management plan and the forecasting performed within the SnapPlus modeling tool.

VI.2 Soil loss

To protect both water quality and soil health, FSR would require performance for soil loss management. Entry level performance for soil loss would require meeting NR151 standards (i.e., meeting the standard for tolerable soil loss). For producers aspiring to mid- or high-level performance, soil loss would need to be managed to two tons/acre or one ton/acre, respectively. Assessment of soil loss performance and pathways to improvement would use the producer's nutrient management plan and forecasting performed within the SnapPlus modeling tool.

Photo: Dairy cows at a Marathon County farm, 2024
photo by C. Pralle

VI.3 Nitrate leaching reduction

A unique feature of the FSR Project was its inclusion of nitrogen management as a factor in determining financial incentives. The current ability to assess and regulate nitrogen pollution in Wisconsin farms has so far been insufficient to achieve needed environmental improvement. While NR151 sets clear limits on agriculture nonpoint source pollution regarding phosphorus runoff, it does not adequately address nitrogen pollution. There is no state regulation or program that addresses greenhouse gases.

FSR would set meaningful targets for sustainable nitrate leaching management that would reduce the contamination of groundwater relative to standards of safety. At present, Wisconsin lacks a robust methodology or tool to assess the impact conservation practices have on nitrate leaching levels. This kind of tool could provide a mechanism for setting financial incentives for improving nitrate loss management.

VI.4 Greenhouse gases

FSR participants would assess their operation's carbon footprint using a carbon footprint and greenhouse gas application specifically designed to evaluate farming and ranching operations and their impact on the climate. While soil conservation and protecting water quality will ultimately determine what financial incentives participants will receive through FSR, gathering data on climate-smart approaches to farming was an important part of the reward tiers in the FSR Project design.

Participants could use either the USDA's COMET Planner tool or the Cool Farm Tool, both of which would assess multiple factors contributing to greenhouse gas emissions or carbon sequestration. In reviewing these assessments, project participants would have an opportunity to identify the impacts their operations have on the atmosphere and soil health, to plan for potential improvement in these areas, and to evaluate successes realized through the use of conservation and best management practices.

The science of soil carbon retention and sequestration on Wisconsin farmland is still developing. Multiple approaches exist for predicting the potential of sustainable farming and ranching to capture carbon and combat climate change. We determined that there is not yet sufficient consensus around determining performance standards.

We concluded that there was not enough consistency in current approaches to set targets for greenhouse gas reduction and carbon improvements. Nonetheless, we believed that by collecting greenhouse gas and carbon modeling assessment data from participating farms, FSR could still contribute to a greater understanding of how best management practices will lead to greater soil health and climate stability.

VII. Project Objectives and Accomplishments

In our cooperative agreement with the NRCS, we identified and worked to achieve four (4) primary objectives, summarized below.

1. Evaluate, design, and refine an FSR Pilot Program concept.
2. Evaluate and design environmental metrics and measurement methods for each tier of performance suitable.
3. Test and select tiers of environmental performance and identify tier financial incentive levels.
4. Create a road map to scale up the FSR Project from concept to pilot-based implementation.

Below, for each of these four objectives, we summarize our accomplishments, planned work that was not completed, and findings.

VII.1 Evaluate, design, and refine an FSR Pilot Program concept.

Objective completion: 80%

Our accomplishments to advance this objective:

- We recruited and formed an internal advisory team composed of our project team, agricultural producers, and farm conservation experts both active and retired. The Internal Advisory Team met monthly to review and provide input on our project work led by our Project Coordinator Ben Becker.
- We met regularly with selected agency staff at the NRCS, the WDNR, staff at Wisconsin Land and Water, and selected county conservationists to review our project efforts and solicit input on program design.
- We shared project plans and solicited feedback and engagement in presentations and workshops with partner organizations and allies.
- We developed and reviewed multiple versions of a program design with our advisory team. Ultimately we developed a FSR Project Prospectus that laid out our proposed methodology and resources that would be needed to advance FSR Pilot projects with partners.

Planned work that was not completed:

- We planned to but did not convene an external project advisory group with a broad set of perspectives and backgrounds, including farm sector and agri-business interests.
- We planned to but did not convene focus groups to provide review and input on our program design. Input from these groups would have been especially useful in further refining the social and economic considerations in program design.

Findings for this objective:

- The FSR Project concept was easily understood and well received by farm conservation professionals and by the members of the public with whom we have shared the concept. Several County Land and Water Conservation offices were sufficiently comfortable with the project design—even at this incomplete stage—to indicate a desire and willingness to apply for an FSR pilot project should funding be available.
- We need to do more to understand how the FSR concept would be received by other farm stakeholder groups who may generally be less favorable toward any type of government-run farm programs.
- Overall, we received useful, ongoing guidance from our advisory group and from selected agency and academic experts. An important next step in beginning to socialize the FSR Project with farm sector and agri-business representatives would need to occur in the early stages of any renewed effort to continue this work.

VII.2 Evaluate and design environmental metrics and measurement methods for each tier of performance suitable.

Objective Completion: 70%

Our accomplishments to advance this objective:

- We obtained permission to evaluate Nutrient Management Plans (NMPs) from 21 unique farm operations throughout Wisconsin. Our project agronomist used the data in these NMPs.
- The project team developed several iterations of our tier system informed by modeling conservation scenarios using our real world nutrient management plans and comparing the environmental performance from those scenarios against our

chosen measures of soil loss, carbon sequestration, nitrate leaching, and phosphorus runoff.

- We developed our environmental targets and the tiered reward structure with input from technical experts, farmers, conservation professionals and project supporters. Some of our consultations included the Wisconsin Land & Water Conservation Board, staff from the Wisconsin Department of Natural Resources (WDNR), multiple County Conservationists, Wisconsin Farmers Union, the Virginia Department of Environmental Quality, University of Wisconsin-Extension, Discovery Farms, and the Sand County Foundation.

- The project team performed extensive testing and modeling using the Nitrate Leaching Calculator and also received input from WDNR, UW Extension, and Dr. Kevin Masarik and how this tool could be applied within our program. We also researched other possible nitrogen and nitrate leaching tools to assess how they might fit within our project concept and provide a means to set meaningful performance targets.

- The tier systems iterations developed provide three benchmarks for environmental performance associated with each aspect of the tiers we sought to evaluate. In researching and developing the tiers, we also assessed available tools and technologies including the SnapPlus tool for assessing soil loss and phosphorus, the COMET-Farm tool, a USDA tool for assessing farm carbon, and a Wisconsin Nitrate Leaching Calculator created by Kevin Masarik and Grant Moser for the UW-Stevens Point Center for Watershed Science and Education and UW-Extension.

- We tested and reviewed multiple iterations of a statewide set of environmental targets, resulting in the version of tiers presented in our Pilot Project Prospectus.

Planned work that was not completed:

- The most significant piece not completed was the completion of a handbook that walked through the application of our tier system and a methodology for applying the models and determining tier performance. We have begun work on this step, but given the limitations of the models explained above and the cessation of funding, we elected to suspend that work.

- We recognized that in the application of any FSR Pilot Project, the performance tiers we established would need to be reviewed and possibly calibrated to reflect local conditions in consultation with a local partner. This work would need to occur as an early stage effort to launch an FSR type project.

Findings for this Objective:

- Wisconsin does not yet have a tool suitable for consistently and accurately modeling nitrate leaching that would be applicable for use in an FSR project at this time.

- Based on the research from our internal team and the input from external stakeholders, we determined that the Wisconsin nitrate leaching calculator is not sufficient for our purposes at this time, and there is no other nitrogen management assessment tool with a reliable level of accuracy in the state of Wisconsin. We also identified that the models behind the nitrate leaching calculator (Meisinger & Randall, 1991) works well on certain types of soils and farming operations, is simple to use, and can get most of its data from SnapPlus. However, these models will need much more development to be able to handle Wisconsin's diversity of farm types and soils.

    - For example, the model works extremely well when predicting N losses from corn production on sandy soil types, but it does not perform well when assessing N losses from other main crops grown in WI, when manure N is a part of the system, or when loamy or clay soils dominate. Further development of a robust and effective nitrate leaching tool is outside the scope of this project and can most effectively occur with further development of a UW Nitrate Leaching tool and in consultation with WDNR, DATCP, and the NRCS.

    - Alternatively, future work should contemplate and discuss with partners the feasibility of using nitrogen application rate reductions as a simpler approach to reduce N inputs and thereby potential for nitrogen leaching to groundwater sources. For example, reward payments could be tied to farm fertilizer bills and/or manure spreading logs as a way for participating farms to demonstrate that they are indeed applying less nutrients to their crop than in prior years.

- The current science informing the Comet Tools and other carbon/greenhouse gas assessment models was not sufficient to build performance benchmarks at this time.

- Wisconsin has not widely adopted a single model for assessing either soil carbon or on-farm greenhouse gas emissions, which limits the adaptability of any specific tool. The scientific research we consulted on the viability of carbon measurement tools also indicated that there was uncertainty on the effect of conservation practices on carbon sequestration levels. Given this uncertainty, we

determined that we could not set scientifically reliable or meaningful targets for soil carbon, sequestration, or emissions reductions. Although we don't believe farm carbon can yet be established with meaningful tier-based targets, conducting a farm carbon assessment could still provide useful information for producers / participants as a "non-scored" part of an FSR program.

VII.3 Test and select tiers of environmental performance and identify tier financial incentive levels.

Objective Completion: 50%

Our accomplishments to advance this objective:

- Our Project Coordinator and Project Agronomist worked to identify the extent of on-farm crop, conservation practice, and nutrient management changes needed to achieve the benchmarks established in VII.2 above, using a representative sample of major crop, rotation, and landscape types in Wisconsin. FSR staff did this work with farm crop and nutrient management practitioners using existing data sets from nutrient management plans (NMPs) from real Wisconsin farms.

- In general, we ran farm conservation scenarios modeling changes from the baseline data from all of the real farms for which we received NMPs. These scenarios modelled changes to: rotation, no till and cover crop practices, and the systemic landscape management of an operation. We also ran modeling scenarios for select farms in which up to 50% of available cropland was converted into grass based pasture, either incrementally or within a period of one-two years.

- We used the nitrate leaching calculator to measure the impacts of management practice changes on nitrate leaching levels. The particular practices we considered were Nitrogen Fertilizer Rate Reduction, changes to application placement, the use of cover crops, and converting cropland to pasture.

Planned work that was not completed:

- We did not fully assess the suite of practices and modifications that a typical producer would need to employ in order to participate at a successful level in an FSR program. More such assessment would help better inform development of tiers and tier payment levels to determine the viability of providing long-term support payments for ongoing conservation practice implementation.

- We did not perform a sensitivity analysis or any quantitative assessment of the expected willingness of producers to participate in an FSR program at various levels of payment per acre for different tier levels.
- We did not complete a rigorous cross-walk of the full set of expected costs, nor the potential savings in inputs, fuel, etc. of a participant's participation in the program to identify the value of incentive payments that they would receive.
- We did not assess the importance of non-financial factors such as program structure, design, and promotion on the likelihood of a producer's willingness to participate.

Findings for this Objective:

- There is insufficient information available within the scope of this project to accurately estimate all the costs of implementing and maintaining conservation best management practices across diverse farm systems and geographies. However, the collection of information on such costs should be prioritized as an objective within a pilot phase before finalizing tier payments.
- FSR payments strongly incentivize the early adoption of best management practices. Operations achieving only Tier 1 performance are likely to incur debt as they implement additional conservation management practices that could move them into Tier 2 status, unless they seek other conservation incentives. Achievement of Tier 2 or Tier 3 performance before the end of the contract could offset the costs of implementing new practices even without outside incentives.
- In an FSR pilot, we assumed that the tier payment incentives available could be combined with existing cost-sharing incentive programs in order to maximize cash flow and profitability when adopting conservation practices. We concluded that operations utilizing grass-based pasture or looking to incorporate it would be good candidates for FSR pilots.
- Conservation and best management practices are stackable. Including a combination of no-till and cover crops along with other practices such as edge of field buffers in general made a greater impact on nutrient and soil loss than those practices implemented independently. However, we didn't always find stacking practices generated measurable reductions in soil or nutrient losses. In some cases combining no-till and cover crops did not always result in a significant improvement relative to implementing only one practice.

- In comparing the adoption of greater conservation practices over the course of one year versus 2, 3, 4, or 5 years, we observed that the efficacy of these changes were greatest in scenarios where they were established and maintained over the course of the rotation or scoring period.
- Rewarding existing farms already performing at a high level is a foundation of the FSR, but discussions continued regarding appropriate long term duration of rewards. Other issues regarding reward duration need further development, like farms that stop at Tier 1. This may be influenced by future funding sources.
- Where possible, we intend FSR performance targets for P and soil loss to conform to Total Maximum Daily Load (TMDL) requirements. However, there is not sufficient data on TMDL phosphorus thresholds for every watershed across the state. Pilot programs should focus on deployment within watersheds with the most robust TMDL datasets in place.

VII.4 Create a road map to scale up the Farm Sustainability Rewards program from concept to pilot-based implementation.

Objective Completion: 25%

Our accomplishments to advance this objective:

- In January 2025, the internal project team and members of the advisory committee met to select criteria for potential pilot projects and identify regions and watersheds best suited for a pilot project.
- We developed a screening rubric based on the criteria we established that allowed us to identify a set of watersheds / locations where further assessment for a pilot project location would be warranted. Top locations, and in some cases the watershed, on our list included:
    - Sauk County - Upper Baraboo River Watershed
    - Outagamie County - Lower Fox River Watershed (a subwatershed)
    - Kewaunee County
    - Calumet County
    - Dunn or Barron County - Red Cedar River Watershed
    - Rock County - Rock River Watershed
    - Green Lake County
    - Vernon and Monroe County - Coon Valley Watershed

- We developed an FSR Program Prospectus that we shared with prospective project partners, and we developed rough cost projections for operating a pilot.

- In consultation with a group of WGF policy and program experts, we reviewed a series of possible funding sources for future development of pilot projects. Other funding sources we considered included:

    - Federal funding through the USDA Regional Conservation Partnership Program (RCPP)
    - Operational Funds from Private Foundations such as the Fund for Lake Michigan
    - Funding provided through sponsorship from agriculture, food, fiber, and biofuel corporations seeking to invest in their supply chains.
    - One-time funding via a state budget appropriation
    - A state budget provision to authorize an FSR tax credit program (similar to the current Farmland Preservation Program).

Planned work that was not completed:

- We had encouraging initial conversations with prospective local partners. However, we did not commit to any initial agreements with local partners to pursue development of FSR pilots.

- We did not secure and have not identified a high-likelihood funding source sufficient to advance a pilot.

- We did not advance far enough in planning to develop a pro-forma budget and business plans for implementation of a pilot.

Findings for this Objective:

- Launching an FSR Pilot Program as we envisioned it, even in a relatively small watershed for a period of 5 years would require $5-10 million in new funding.

- Following the January 2025 transition of USDA to the Trump Administration and consultation with our FSR Project sponsors at NRCS, we concluded that funding sources that would have been available in 2024 to support FSR Pilots would likely not be available in 2025 and beyond.

- Lack of available federal funding makes the environment for funding a novel approach like FSR significantly more challenging. (We identify possible next steps and future opportunities to advance an FSR concept in conclusions).

VIII. Recommendations for Advancing the FSR Concept

Near-term

Although the FSR Project is no longer active, now may be a good opportunity for people or other organizations to engage in informal conversations with agricultural stakeholders to advance and socialize the concept of performance based payments.

Informal conversations could help us understand reservations the agricultural industry would have and build relationships with agricultural groups to open those doors.

WGF or CW are not the only organizations that could advance these conversations. Sharing ownership of these conversations could be a key to establishing longer-term and broader support from the agricultural industry.

The FSR concept could also build on the constituencies of people and communities within farm country with an interest in farm conservation. An opportunity exists to broaden outreach with organizations including, but not limited to, rural communities, lake owners associations, and sporting groups who could help advance the FSR concept as a way to help influence/incentivize farm conservation in their watershed.

Longer-term

Given the current public funding environment, we believe that the most promising vehicle for advancing a Pay-for-Performance concept like FSR may be by tapping into capital flows available from within the food and biofuel supply chain.

Agri-business corporations already participate in a variety of novel programs. Examples include third-party certifications or corporate insetting that help producers adopt conservation practices and outcomes while aiding the brand value of food products. Incentives often take the form of commodity price supports, or a yield premium paid for crops produced meeting established criteria. Such initiatives rely on consumer sentiment to drive investments.

Ultimately the FSR concept could be a vehicle adopted by agri-business companies that purchase farm products to help advance their own agendas for conservation and sustainability. Advancing the FSR concept, possibly on a pilot basis, in a corporate agriculture environment would require bringing in entrepreneurial and business skills to complement the science-based skills we combined in the first iteration of FSR.

IX. Acknowledgements

Throughout the project, we consulted in small groups and in one-on-one meetings with numerous content experts, conservation implementers, agency staff and many others.

Our thanks to everyone who contributed to this project by sharing your perspectives, insights, and data. Input from a variety of partners and allies was essential in helping us build a more thoughtful, informed, and impactful effort. We deeply appreciate your time, expertise, and commitment to advancing this work.

Among the people and organizations who supported the FSR Project:

- The USDA Natural Resources Conservation Service provided funding that made the Farm Sustainability Rewards Project possible. Ryan Gerlich at NRCS provided continual support and encouragement both as a project funder and supporter of our concept.

- Jeffrey Voltz, Brian Weigel, Andrew Craig, Kevin Kirsch, and Pat Oldenburg at the Wisconsin Department of Natural Resources provided technical support and helped us frame the FSR work in light of current farm conservation programs.

- Kevin Masarik at the UW-Stevens Point Center for Watershed Science and Education, a joint venture of the College of Natural Resources at the University of Wisconsin - Stevens Point and the University of Wisconsin - Madison Division of Extension, was an important resource on nutrient management models that would be essential to a scalable project. Guolong Liang at the UW-Madison Division of Extension also assisted with nitrogen leaching calculation methods.

- Laura Ward Good and Hava Blair at the UW-Madison Department of Soil Science and were also important resources in application of the UW SnapPlus program.

- Members of our FSR Project Advisory Committee provided guidance throughout the inception of the project. Members included: John Exo, Paul Daigle, Paul Dietmann, Paul LaLiberte, John Rosenow, Melissa Schlupp, Richard Cates, and Valerie Dantoin.

- The more than 12 farm owners who voluntarily provided Nutrient Management Plans that we used as the basis for testing and adjusting environmental performance levels.

Our thanks to all for helping us advance an important concept for farm conservation!